

# ALASKA STATE LEGISLATURE

## LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Division of Legislative Audit



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**SUMMARY OF: A Sunset Review on the Department of Commerce, Community, and Economic Development, Board of Marital and Family Therapy, June 19, 2013**

### PURPOSE OF THE REPORT

In accordance with Title 24 and Title 44 of the Alaska Statutes (sunset legislation), we have reviewed the activities of the Board of Marital and Family Therapy (board or BMFT). The purpose of this audit was to determine if there is a demonstrated public need for the board's continued existence and if it has been operating in an effective manner. As required by AS 44.66.050(a), this report shall be considered by the committee of reference during the legislative oversight process in determining whether BMFT should be reestablished. Currently, under AS 08.03.010(c)(11), the board will terminate on June 30, 2014, and will have one year from that date to conclude its administrative operations.

### REPORT CONCLUSIONS

We conclude that BMFT's termination date should be extended. Regulating and licensing marital and family therapists benefits the public's safety and welfare. The board provides reasonable assurance that individuals licensed as marital and family therapists are qualified.

We recommend that the board's termination date be extended four years to June 30, 2018, which is half of the eight-year maximum extension provided in Alaska Statutes. The reduced extension recommendation is mainly due to the board not fully addressing the prior sunset audit recommendation to pursue regulation changes that are necessary to protect the public's interest. Although the board has initiated one regulatory revision, it has not addressed the need for distance therapy and distance supervision.

### FINDINGS AND RECOMMENDATIONS

1. BMFT should develop a strategy to address the need for distance therapy and distance supervision.
2. The Office of the Governor and BMFT should work together to fill vacant board seats in a timely manner.

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3. The Division of Corporations, Business and Professional Licensing director should continue efforts to improve the investigative case management system's integrity and confidentiality.

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July 22, 2013

Members of the Legislative Budget  
and Audit Committee:

In accordance with the provisions of Title 24 and Title 44 of the Alaska Statutes (sunset legislation), we have reviewed the activities of the Board of Marital and Family Therapy and the attached report is submitted for your review.

DEPARTMENT OF COMMERCE, COMMUNITY,  
AND ECONOMIC DEVELOPMENT  
BOARD OF MARITAL AND FAMILY THERAPY

June 19, 2013

Audit Control Number  
08-20082-13

The audit was conducted as required by AS 44.66.050 and under the authority of AS 24.20.271(1). Per AS 08.03.010(c)(11), the Board of Marital and Family Therapy is scheduled to terminate on June 30, 2014. We recommend the legislature extend the termination date to June 30, 2018.

The audit was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Fieldwork procedures utilized in the course of developing the findings and recommendations presented in this report are discussed in the Objectives, Scope, and Methodology.

A handwritten signature in blue ink, appearing to read "Kris Curtis".

Kris Curtis, CPA, CISA  
Legislative Auditor



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## OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Title 24 and 44 of the Alaska Statutes, we have reviewed the Board of Marital and Family Therapy's (board or BMFT) activities to determine whether there is a demonstrated public need for the board's continued existence and whether it has been operating in an efficient and effective manner.

As required by AS 44.66.050(a), this report shall be considered by the committee of reference during the legislative oversight process in determining whether BMFT should be reestablished. Currently, under AS 08.03.010(c)(11), the board will terminate on June 30, 2014, and will have one year from that date to conclude its administrative operations.

### Objectives

The four, central audit objectives were:

1. Determine whether the board's termination date should be extended.
2. Determine whether the board is operating in the public's interest.
3. Determine whether the board has exercised appropriate regulatory oversight of licensed marital and family therapists.
4. Provide a current status of recommendations made in the prior sunset audit.

### Scope and Methodology

The assessment of board operations and performance was based on criteria established in AS 44.66.050(c). Criteria set out in this statute relate to the determination of a demonstrated public need for the board.

The audit reviewed the board's operations and activities from FY 09 through May 2013.

During the course of the audit, the following were reviewed and evaluated:

- Applicable statutes and regulations to identify board functions and responsibilities. Changes made during the audit period were reviewed to determine whether the changes enhanced or impeded board activities. Changes were also evaluated for consistency with statutory purpose and to ascertain if the board operated in the public's interest.
- Board members' applications and resumes filed with the Office of the Governor's Boards and Commissions to verify that members met statutory requirements.

- Board meeting minutes, budget documents, and annual reports to understand board proceedings and activities as well as the nature and extent of public input.
- Public notice documents to ascertain whether public notices for board meetings and regulatory changes were published as required by Alaska Statutes and Division of Corporations, Business and Professional Licensing (division or DCBPL) policies.
- The prior sunset audit and a previous DCBPL special audit to identify issues affecting the board.

Three board members including the current board chair, a former board chair, and a public member were interviewed to gain an understanding of the board's activities, the level of public input, and changes in fee levels. DCBPL's director, various other division personnel, and several employees in the information technology section of Department of Commerce, Community, and Economic Development's (DCCED) Administrative Services Division were also interviewed to assess the adequacy of division support for board activities.

A survey of active board licensees with United States addresses was conducted to obtain licensee opinions on: what regulatory changes should be made, whether the board operated effectively and in the public's interest, the board's performance in addressing important issues, and whether the board is duplicating the efforts of other organizations.

A random sample of 10 initial and renewal licensing files was selected from 91 active licenses and assessed for statutory and regulatory compliance. When errors were found, the sample was expanded to 20 files. In determining sample size, applicable controls were considered moderately significant; the inherent risk was considered limited, and the risk of noncompliance was considered low.

A random sample of 12 investigative files and documentation was tested to assess the efficiency and effectiveness of the investigative process. In determining sample size, applicable controls were considered moderately significant, and the inherent risk was considered limited. Prior audits found errors with the case management system, and the extract of the investigations database showed evidence of system errors. Therefore, the risk of noncompliance was considered moderate, and a 15 percent sample (2 cases) was determined sufficient to detect errors.

Board and division internal control procedures relating to various audit objectives, including procedures over licensing, investigations, and board proceedings, were assessed. Controls over the investigative case management system and the licensing database were also assessed.

Inquiries regarding board-related complaints were made with the following organizations:

- Alaska State Commission for Human Rights;

- Department of Administration's Division of Personnel and Labor Relations;
- United States Equal Employment Opportunity Commission;
- DCCED's Commissioner's Office;
- Office of the Ombudsman;
- Office of Victims' Rights; and
- Office of the Governor's Boards and Commissions.

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# ORGANIZATION AND FUNCTION

## Board of Marital and Family Therapy (board or BMFT)

BMFT was established under the provisions of Title 8, Chapter 63 of the Alaska Statutes. The board consists of five members appointed by the governor and subject to legislative confirmation. Three members must be licensed marital and family therapists, and two must be members of the general public.

The board regulates State of Alaska licensed marital and family therapists. It sets education, training, and work experience standards necessary for an individual to be licensed as a marital and family therapist or a marital and family therapist associate. Alaska Statutes define the practice of marital and family therapy as the diagnosis and treatment of mental and emotional disorders referenced in the standard diagnostic nomenclature for marital and family therapy. This covers all disorders, whether cognitive, affective, or behavioral, within the context of human relationships, particularly the marital and family system.

### **Exhibit 1**

#### **Board of Marital and Family Therapy as of March 20, 2013**

Leon T. Webber  
*Chair*

Kennith E. McCarty  
*Board Member*

Linda R. King  
*Board Member*

John W. Downing  
*Public Member*

Joann Young  
*Public Member*

According to Alaska Statutes, the board's duties include:

1. Examining and issuing licenses to qualified applicants;
2. Ordering the disciplinary sanction of a person who violates statutes or regulations related to the licensure of marital and family therapists;
3. Adopt regulations necessary to enforce BMFT-related statutes; and
4. Adopt a code of ethical practice for marital and family therapy.

A marital and family therapist applicant may be licensed by passing an examination given by the board or by credentials. To be licensed by credentials, an applicant must present proof of licensure by another authority, such as a state, that has equal or more stringent licensing requirements than the State of Alaska.

To become licensed by examination, an applicant must have an advanced degree in marital and family therapy or a related mental health field from a regionally accredited educational

institution approved by the board. The applicant must also have completed course work<sup>1</sup> in (1) marital and family therapy, (2) marital and family studies, (3) human development, (4) professional studies or professional ethics and law, (5) research, and (6) supervised clinical practice. Furthermore, applicants must meet specific supervised experience requirements,<sup>2</sup> and pass an examination as required by BMFT. The board uses a national examination developed jointly by the Association of Marital and Family Therapy Regulatory Boards and the Professional Examination Service.

Department of Commerce, Community, and Economic Development (DCCED), Division of Corporations, Business, and Professional Licensing (division or DCBPL)

DCBPL provides administrative and investigative assistance to the board. Administrative assistance includes budgetary services and functions such as collecting fees, maintaining files, receiving and issuing application forms, and publishing notice of examinations and meetings. Investigative assistance is available upon request, or the division may initiate an investigation if an individual appears to have engaged or is about to engage in a practice over which the division has authority. The division can issue an order that an individual stop a practice, bring an action in the Alaska Superior Court to enjoin the act, examine the books and records of a license holder and/or association, and subpoena witnesses and records.

Alaska Statute 08.01.065 mandates that DCCED adopt regulations to establish the amount and manner of fee payments for applications, examinations, licenses, registration, permits, investigations, and all other fees as appropriate for the occupations covered by statutes.

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<sup>1</sup>Alaska Statute 08.63.100(b) permits the substitution of post-degree courses or practice, as approved by the board, by a person who has a masters or doctorate degree in marital and family therapy or allied health field but whose course of study did not include all the course or clinical practice requirements of AS 08.63.100(a)(3)(B).

<sup>2</sup>According to AS 08.63.100(a)(3)(C), an applicant must meet the following practical experience criteria prior to obtaining licensure:

- Practice marital and family therapy, including 1,500 hours of direct clinical contact with couples, individuals, and families.
- Be supervised during clinical contact for at least 200 hours, including 100 hours of individual supervision and 100 hours of group supervision approved by the board.
- Receive training related to domestic violence.

## **REPORT CONCLUSIONS**

In developing our conclusion regarding whether the Board of Marital and Family Therapy's (board or BMFT) termination date should be extended, we evaluated board operations using the 11 factors set out in AS 44.66.050. According to the State's "sunset" law, these factors are to be used to assess whether an agency has demonstrated a public policy need for continuing operations.

Overall, we conclude that the board is serving the public's interest by effectively licensing and regulating marital and family therapists. BMFT monitors licensees and ensures that only qualified individuals practice.

In accordance with AS 08.03.010(c)(11), the board is scheduled to terminate June 30, 2014. We recommend that the board's termination date be extended four years to June 30, 2018, which is half of the eight-year maximum extension provided in Alaska Statutes. The reduced extension recommendation is mainly due to the board not fully addressing the prior sunset audit recommendation to pursue regulation changes that are necessary to protect the public's interests. Although BMFT has initiated one regulatory revision, it has not addressed the need for distance therapy and distance supervision. (See Recommendation No. 1.) Additionally, we continue to recommend that board seats be filled timely to ensure balanced board representation. (See Recommendation No. 2.)

Furthermore, this report makes one new recommendation regarding the Division of Corporations, Business and Professional Licensing's investigative support to the board. Improvements are needed to address various deficiencies in its investigative case management system. (See Recommendation No. 3.)

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## **FINDINGS AND RECOMMENDATIONS**

The 2009 sunset audit of the Board of Marital and Family Therapy's (board or BMFT) made three recommendations. The prior recommendation that BMFT pursue regulation changes that are necessary to protect the public was partially implemented. During the current audit period, the board adopted one regulatory revision. However, BMFT has been slow to address the need for distance therapy and distance supervision. While the board extensively researched and discussed the topic of distance therapy and distance supervision, it made little progress in developing regulations during the audit period and does not have a strategy or action plan to ensure progress. Therefore, a new recommendation regarding regulatory changes for distance therapy and supervision is made as Recommendation No. 1.

The prior recommendation that the Division of Corporations, Business and Professional Licensing (division or DCBPL) improve administrative support was resolved. Board members reported that the working relationship with division staff has improved. The division corrected its method of allocating indirect costs to occupational boards and restated board financial reports to reflect corrections.

The prior recommendation that all board member seats be filled in a timely manner has not been implemented. Two board member seats were vacant longer than six months during this audit period. Although the board maintained a quorum, the public perspective was not fully represented. This prior recommendation has been reiterated as Recommendation No. 2.

One new recommendation is made regarding DCBPL's investigative support to the board.

### Recommendation No. 1

BMFT should develop a strategy to address the need for distance therapy and distance supervision.

Currently, there are no regulations that allow either distance therapy or distance supervision of potential licensees. Board minutes and annual reports indicate the board researched and discussed the complex topic of distance therapy and distance supervision. Although the board has discussed distance delivery of services since 2005, it has not developed a strategy to move the topic out of the discussion phase. Marital and family therapy services are not widely available in many areas of the State. Distance therapy and distance supervision are viewed as solutions to address the need for services. The board could better serve the public's interest by responding more promptly to the need for distance services.

BMFT is required by Alaska Statutes to adopt regulations to carry out its duties. The board is also required to adopt a code of ethical practice for marital and family therapy. State regulations incorporate the American Association for Marriage and Family Therapy

(AAMFT) *Code of Ethics* 2001 version by reference. This national code of ethics was updated in 2012 and now includes two sections (1.14 and 2.7) that address electronic therapy and protection of electronic information.

We recommend BMFT develop a strategy to address the need for distance therapy and distance supervision. The strategy should include amending regulations to incorporate the most recent revision of the AAMFT *Code of Ethics*.

### Recommendation No. 2

The Office of the Governor and BMFT should work together to fill vacant board seats in a timely manner.

### Prior Finding

BMFT consists of five members: two representatives from the general public and three licensed professionals. During the prior audit period, one public seat was vacant for eight months, and one licensed position was vacant for over 11 months. It was also noted that one professional member served 19 months past the date her seat expired. Board seats were vacant because of a lack of applicants.

Alaska Statute 08.63.020 requires the Office of the Governor to appoint both public and professional board members. Maintaining board membership that includes both public and professional members ensures balanced representation. The lack of sufficient BMFT members prevented the board from conducting business with the appropriate public and professional input and perspective.

### Legislative Audit's Current Status

During the current audit period, one licensed seat was vacant 12 months, and one public seat was vacant for eight months and again for 11 months. According to Office of the Governor, Boards and Commissions staff, difficulty filling board seats was due to a lack of applicants. The survey of licensees indicates that many licensees may be unaware of the opportunity to serve on the board.

Accordingly, we recommend the board and the Office of the Governor's Boards and Commissions director work together to fill vacant board seats in a timely manner. We also recommend BMFT and the Boards and Commissions director increase efforts to ensure licensees and the public are aware of opportunities to serve on the board.

### Recommendation No. 3

DCBPL's director should continue efforts to improve the investigative case management system's integrity and confidentiality.

DCBPL's investigative case management system does not fully support efficient case management. The system was purchased with the expectation that it would be an "off the shelf" product with immediate functionality as a case management tool. However, the system does not entirely meet the investigation unit's needs.

When the investigative case management system was implemented in 2010, division management identified many system deficiencies. These ranged from significant security, reporting, and conversion problems to various inefficiencies in case management processing. Deficiencies were caused by a lack of procedures and software limitations.

While some of the deficiencies were addressed through a revised policies and procedures manual dated May 2012, other problems require software fixes by the vendor. A new contract signed in June 2012 has allowed the division to work with the vendor to address software issues. The vendor was tasked with improving the investigative case management system's efficiency and reliability in several areas. Division management reported that these improvements are in the testing phase and should be effective by the end of June 2013.

However, other problems persist. Security related to case confidentiality remains weak as each investigator may view and alter other investigators' cases. Though investigators are discouraged from viewing cases to which they are not assigned, they have access to all investigative files. The investigative case management system's deficiencies have also affected case management efficiency. Investigators reported the system may fail to respond which results in lost work. Additionally, the system's reporting function did not consistently produce reliable information.

The duty to investigate occupational licensing complaints is statutorily assigned to DCBPL. The efficiency with which complaints are investigated is one of the evaluation criteria used in the sunset legislative oversight process. Specifically, AS 44.66.050(c) requires examining:

*The efficiency with which public inquiries or complaints regarding the activities of the board, commission, or agency filed with it, with the department to which a board or commission is administratively assigned, or with the office of victims' rights or the office of the ombudsman have been processed and resolved.*

The noted deficiencies in the investigative case management system impede the division's ability to provide investigative support to the board.

We recommend DCBPL's director continue efforts to improve the investigative case management system's integrity and confidentiality.

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## **A ANALYSIS OF PUBLIC NEED D**

The following analyses of the Board of Marital and Family Therapy's (board or BMFT) activities relate to the public need factors defined in AS 44.66.050(c). These analyses are not intended to be comprehensive but to address those areas we were able to cover within the scope of our review.

As part of the audit, a survey was conducted of board licensees. All active licenses with addresses in the United States (85 as of January 23, 2013) were provided the survey, and 33 licensees (39 percent) responded. The survey questions and responses are presented in Appendix A of this report.

***Determine the extent to which the board, commission, or program has operated in the public interest.***

BMFT operated in the public's interest by establishing licensing and continuing education requirements, licensing qualified individuals, and enforcing regulations. Sixty-four percent of survey respondents rated overall board effectiveness as "good" or "excellent."

The board operated in the public's interest by proposing a regulatory change to allow more flexibility in taking the licensing examination. Current regulations require applicants to complete all required supervised clinical experience (which may take several years) before sitting for the examination. The proposed change would allow applicants to take the examination at any time after completing a master's or doctorate degree and obtaining a marital and family therapist associate license. Allowing applicants to take the examination at any time after obtaining a marital and family therapist associate license may increase the number of individuals choosing to pursue licensure as marital and family therapists. The board plans to post the proposed change for public comment in 2013.

The board also proposed a regulatory change requiring supervisors be licensed marital and family therapists for five years. The change protects the public's interest by ensuring qualified supervisors hold a marital and family therapist license. This regulatory change was adopted.

The board could better serve the public's interest by actively addressing the need for distance therapy and distance supervision. Many areas of the State have limited access to marital and family therapy. The board frequently discussed distance therapy and supervision. Meeting minutes show that board members researched best practices from other states, attended conferences and seminars that included distance therapy and supervision in the curriculum, and discussed security and ethical issues pertaining to this topic. However, no decisions or formal plans were made to address the need for services through available technology. (See Recommendation No.1.)

A majority of survey respondents believe that current statutes and current regulations met the needs of licensees and protected the public's interest.

***Determine the extent to which the operation of the board, commission, or agency program has been impeded or enhanced by existing statutes, procedures, and practices that it has adopted, and any other matter, including budgetary, resource, and personnel matters.***

Lengthy board member vacancies during the audit period resulted in the under representation of certain stakeholders. Alaska Statutes require BMFT to consist of three board-licensed therapists and two public members. Technical expertise is provided by professional members while public members provide a consumer perspective. During the audit period, one licensee seat and two public seats were vacant longer than six months. Survey respondents were asked about the reason(s) for the board's difficulty in attracting new members. The most common response was that potential applicants were unaware of opportunities to participate though board vacancies are posted on the State's Online Public Notice System. (See Recommendation No. 2.)

Exhibit 2 (following page) presents a schedule of board revenues and expenditures from FY 09 through March 2013. The amounts were provided by Division of Corporations, Business and Professional Licensing (DCBPL or division) management. Division staff restated all occupational board financial activity to adjust for the over allocation of DCBPL indirect costs to occupational boards as identified by a 2011 special audit.<sup>3</sup> Exhibit 1 is unaudited and provided for general informational purposes.

According to AS 08.01.065(c), the Department of Commerce, Community, and Economic Development (DCCED) must establish fee levels "so that the total amount of fees collected for an occupation approximately equals the actual regulatory costs for the occupation." BMFT renews licenses during odd-numbered fiscal years. In FY 09, the license fee was \$775. For FY 11, fees were increased to \$865, and in FY 13, fees were decreased to \$665 to reduce the cumulative surplus.

Survey results indicate that 82 percent of respondents did not believe that license fees were reasonable. Additionally, one complaint was filed with DCCED about fee levels. At the end of FY 12, the board had a cumulative surplus of approximately \$107,000.

During the audit period, board operations were impeded by DCBPL's investigative case management system. These deficiencies have limited DCBPL's ability to provide adequate investigative support to the board. (See Recommendation No. 3.)

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<sup>3</sup>Department of Commerce, Community, and Economic Development; Division of Corporations, Business, and Professional Licensing; Select Occupational Licensing and Enforcement Issues, June 29, 2011, audit control number 08-30059-11.

**Exhibit 2**

**Board of Marital and Family Therapy  
Restated Schedule of Revenues and Expenditures  
FY 09 through March 31, 2013  
(Unaudited)**

|  | <u>FY 09</u>     | <u>FY 10</u>     | <u>FY 11</u>     | <u>FY 12</u>     | <u>July 1, 2012 -<br/>March 31, 2013</u> |
|--|------------------|------------------|------------------|------------------|--|
| Licensing Revenue                      | \$ 63,100        | \$ 11,300        | \$ 75,095        | \$ 7,665         | \$ 54,953                                |
| Direct Expenditures                    |                  |                  |                  |                  |  |
| Personal Services                      | 13,640           | 17,802           | 21,648           | 21,392           | 22,063                                   |
| Travel                                 | 5,862            | 14,816           | 5,029            | 6,384            | 4,875                                    |
| Contractual                            | 1,145            | 992              | 2,247            | 997              | 1,636                                    |
| Supplies                               | 192              | 43               | 93               | 101              | 36                                       |
| Total Direct Expenditures              | 20,839           | 33,653           | 29,017           | 28,874           | 28,610                                   |
| *Indirect Expenditures                 | 3,841            | 5,117            | 4,738            | 5,765            | 4,324                                    |
| Total Expenditures                     | 24,680           | 38,770           | 33,755           | 34,639           | 32,934                                   |
| Net Income (Loss)                      | 38,420           | (27,470)         | 41,340           | (26,974)         | 22,019                                   |
| Beginning Cumulative Surplus (Deficit) | 81,937           | 120,357          | 92,887           | 134,227          | 107,253                                  |
| Ending Cumulative Surplus (Deficit)    | <u>\$120,357</u> | <u>\$ 92,887</u> | <u>\$134,227</u> | <u>\$107,253</u> | <u>\$ 129,272</u>                        |

Source: DCBPL management.

\*FY 13 indirect costs are estimated based on the prior fiscal year's amount.

***Determine the extent to which the board, commission, or agency has recommended statutory changes that are generally of benefit to the public interest.***

During the audit period, the board recommended the following three statutory changes.

1. Alaska Statute 08.63.100(3)(c)(ii) requires an applicant to obtain 200 hours of supervised clinical contact; the hours are to include 100 hours of group supervision and 100 hours of individual supervision. In FY 09, the board proposed changing the statute to require 200 hours of individual or group supervision with at least 100 hours of individual supervision. The proposed statutory change was not adopted.
2. Alaska Statute 08.63.120(b)(1) requires a supervisor to “*have practiced marital and family therapy for five years.*” In FY 10, the board proposed an amendment to require that supervisors be *licensed* marital and family therapists for five years. The proposal could enhance the level of public protection by ensuring qualified supervisors hold a

marital and family therapist license. The proposed change to AS 08.63.120(b)(1) was not adopted but the change was implemented as a regulatory change to 12 AAC 19.210(a)(3).

3. Alaska Statute 08.63.120(b)(2) requires that a marital and family therapist supervisor “*be licensed under this chapter*” (i.e. hold an Alaska license). The board proposed revising this language to “*be licensed under this chapter or another jurisdiction.*” The board believed this change would benefit members of the military transferred out of state and applicants in rural areas. The proposed statutory change was not adopted.

***Determine the extent to which the board, commission, or agency has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of service, economy of service, and availability of service that it has provided.***

The location, date, and time of upcoming board meetings and notices of proposed changes in regulations were posted on the State’s Online Public Notice System with adequate time for interested individuals to attend or to submit written comment for review. Though members of the public did not comment at most of the board meetings during the audit period, the minutes do reflect time for public comment. Additionally, the Online Public Notice System allows individuals to set up a subscription to receive public notices by email.

***Determine the extent to which the board, commission, or agency has encouraged public participation in the making of its regulations and decisions.***

Upcoming meeting times, proposed regulations, and regulation changes were published on the State’s Online Public Notice System. The board allotted time for public comment at each board meeting. Meeting minutes are available on the board’s website.

***Determine the efficiency with which public inquiries or complaints regarding the activities of the board, commission, or agency filed with it, with the department to which a board or commission is administratively assigned, or with the office of victims’ rights or the office of the ombudsman have been processed and resolved.***

No complaints concerning the board were filed with the State’s Office of the Ombudsman, Office of the Governor, or the Office of Victims’ Rights. One complaint relating to license fee levels was filed with DCCED and resolved in an efficient manner. Eleven complaints against board licensees or applicants were either open or opened by DCBPL between July 2008 and January 2013. As of February 2013, 10 of the 11 complaints were closed.

***Determine the extent to which a board or commission that regulates entry into an occupation or profession has presented qualified applicants to serve the public.***

Each applicant is required to meet licensing requirements, including the necessary educational background and adequate work experience. BMFT meeting minutes show that a significant portion of each meeting was spent considering licensing applications and reviewing courses for continuing education approval. Licensing activity for the last four fiscal years is presented below in Exhibit 3. License counts were compiled from board annual reports.

**Exhibit 3**

| <b>Board of Marital and Family Therapy Newly Issued Licenses<br/>FY 09 through FY 12</b> |              |              |              |              |               |
|--|--------------|--------------|--------------|--------------|---------------|
| <b>License Type</b>  | <b>FY 09</b> | <b>FY 10</b> | <b>FY 11</b> | <b>FY 12</b> | <b>Totals</b> |
| Marital and Family Therapist License   | 5            | 9            | 6            | 3            | 23            |
| Marital and Family Therapy Associate   | 2            | 0            | 3            | 4            | 9             |
|  | 7            | 9            | 9            | 7            | 32            |

Source: BMFT annual reports

Seventy-three percent of licensee survey respondents rated their experience obtaining or renewing licensure as “good” or “excellent,” and 61 percent of respondents rated the board’s responsiveness to questions or concerns as “good” or “excellent.” Thirty-three percent of respondents believed that licensing requirements created an unnecessary barrier to entry. The most common complaint regarding barriers to entry was the amount of supervision necessary, the number of approved supervisors available, and the lack of marital and family therapy programs in the State.

As of March 2013, there were a total of 91 active board licenses. An analysis of 20 initial and renewal licenses showed that overall, licenses were approved in compliance with statutes and regulations. Continuing education is required and monitored by the board. DCBPL audits approximately 10 percent of renewal license applications for compliance with continuing education requirements.

***Determine the extent to which state personnel practices, including affirmative action requirements, have been complied with by the board, commission, or agency to its own activities and the area of activity or interest.***

From July 2008 through January 2013, no board-related complaints were filed with the Alaska State Commission for Human Rights, the United States Equal Employment Opportunity Commission, or the Department of Administration’s Division of Personnel and Labor Relations.

***Determine the extent to which statutory, regulatory, budgeting, or other changes are necessary to enable the agency, board, or commission to better serve the interests of the public and to comply with the factors enumerated in this subsection.***

During the audit period, board operations were impeded by DCBPL's investigative case management system. Identified deficiencies range from security, reporting, and conversion problems to various inefficiencies in case management processing. (See Recommendation No. 3.)

The board could better serve the public's interest by actively addressing the need for distance therapy and distance supervision. This may require regulatory changes to address confidentiality concerns and whether distance therapy or supervision is suitable for a client or marital and family therapist associate. (See Recommendation No. 1.)

***Determine the extent to which the board, commission, or agency has effectively attained its objectives and purposes and the efficiency with which the board, commission, or agency has operated.***

Objectives identified by the board in annual reports include:

- Reviewing statutes and regulations.
- Working with assigned investigators in order to understand the investigative process.
- Affiliating with the Association of Marital and Family Therapy Regulatory Boards.
- Working with DCBPL staff to reduce licensing fees.
- Approving continuing education courses related to the profession.
- Reviewing licensure applications for licensed marital and family therapists, marital and family therapist associates, and approved marital and family therapist supervisors.
- Reviewing the statutes and regulations regarding timing of the licensing examination process.
- Reviewing, researching, and considering new technological advances pertaining to therapy, supervision, and training.

Except in the area of technological advances, interviews with board members and an examination of meeting minutes and annual reports indicate that the board reasonably achieves its annual objectives. The board's objective related to technological advances pertaining to therapy, supervision, and training, was not attained. The board has continued to review, research and consider new technologies, but this has not led to definitive action. (See Recommendation No. 1.)

***Determine the extent to which the board, commission, or agency duplicates the activities of another governmental agency or the private sector.***

Although there are several national and state professional organizations for marital and family therapists, there are no entities other than the board that perform licensing or

disciplinary functions in Alaska. The board's activities are not duplicated by other government agencies or the private sector.

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## **A****P****P****E****N****D****I****X**

As a part of this audit, a survey was provided to the 85 Board of Marital and Family Therapy licensees with United States addresses as of January 23, 2013. Of those surveyed, 33 (39 percent) responded. The survey results are summarized in Appendix A.

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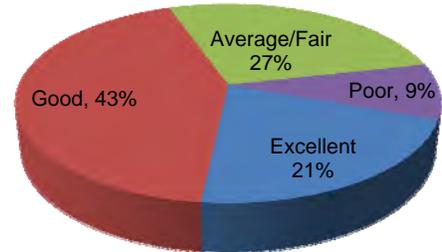
## Appendix A

### Licensed Marital and Family Therapists Survey Results

1. How would you rate the overall effectiveness of the board?

| <u>Ratings</u>    | <u>Number of Responses</u> | <u>Percentage of Responses</u> |
|-------------------|----------------------------|--------------------------------|
| Excellent         | 7                          | 21%                            |
| Good              | 14                         | 43%                            |
| Average/Fair      | 9                          | 27%                            |
| Poor              | 3                          | 9%                             |
| No Opinion        | 0                          | 0%                             |
| Total Respondents | 33                         | 100%                           |

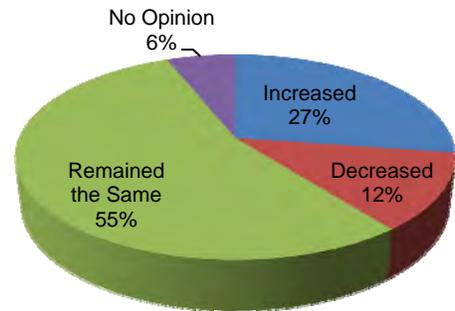
**Overall Board Effectiveness**



2. In your opinion, has the effectiveness of the board increased, decreased, or remained the same over the last four years?

| <u>Opinion</u>    | <u>Number of Responses</u> | <u>Percentage of Responses</u> |
|-------------------|----------------------------|--------------------------------|
| Increased         | 9                          | 27%                            |
| Decreased         | 4                          | 12%                            |
| Remained the Same | 18                         | 55%                            |
| No Opinion        | 2                          | 6%                             |
| Total Respondents | 33                         | 100%                           |

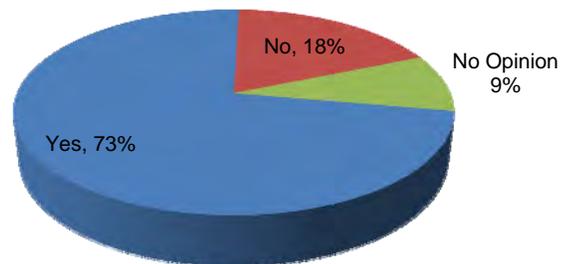
**Change in Board Effectiveness**



3. Do you believe existing statutes meet the needs of regulated individuals and/or entities and protect the public's interests?

| <u>Opinion</u>    | <u>Number of Responses</u> | <u>Percentage of Responses</u> |
|-------------------|----------------------------|--------------------------------|
| Yes               | 24                         | 73%                            |
| No                | 6                          | 18%                            |
| No Opinion        | 3                          | 9%                             |
| Total Respondents | 33                         | 100%                           |

**Existing Statutes Meet Needs**



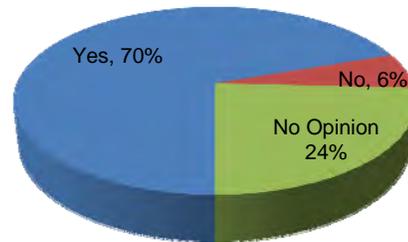
**Appendix A**  
(Continued)

**Licensed Marital and Family Therapists  
Survey Results**

4. Do you believe existing board regulations meet the needs of regulated individuals and/or entities and protect the public's interests?

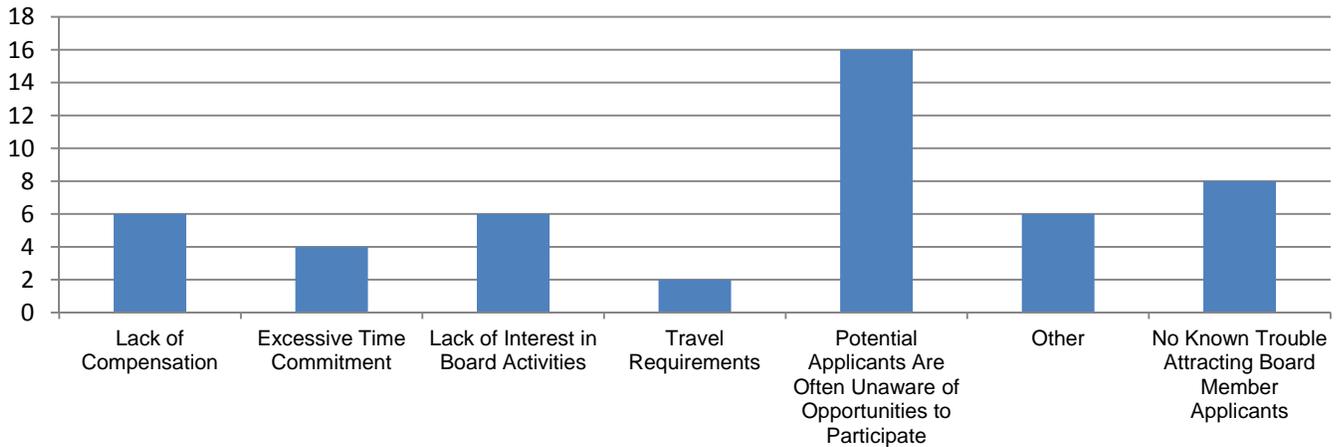
**Existing Board Regulations Meet Needs**

| <b>Opinion</b>           | <b>Number of Responses</b> | <b>Percentage of Responses</b> |
|--------------------------|----------------------------|--------------------------------|
| Yes                      | 23                         | 70%                            |
| No                       | 2                          | 6%                             |
| No Opinion               | 8                          | 24%                            |
| <b>Total Respondents</b> | <b>33</b>                  | <b>100%</b>                    |



5. If applicable, what are the main reason(s) the board has difficulty attracting new board member applicants?

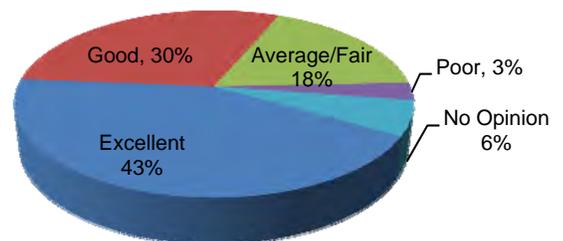
**Reasons for Difficulty Attracting New Board Members**



6. How would you rate your overall experience in applying for or maintaining professional licensure?

**Licensure Application Experience**

| <b>Rating</b>            | <b>Number of Responses</b> | <b>Percentage of Responses</b> |
|--------------------------|----------------------------|--------------------------------|
| Excellent                | 14                         | 43%                            |
| Good                     | 10                         | 30%                            |
| Average/Fair             | 6                          | 18%                            |
| Poor                     | 1                          | 3%                             |
| No Opinion               | 2                          | 6%                             |
| <b>Total Respondents</b> | <b>33</b>                  | <b>100%</b>                    |



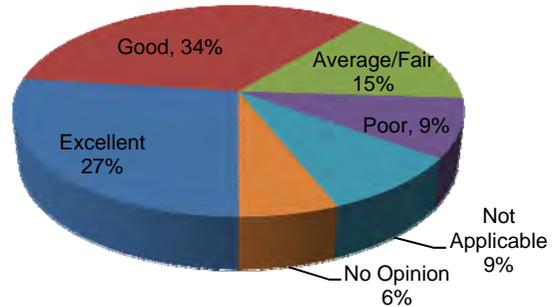
**Appendix A**  
(Continued)

**Licensed Marital and Family Therapists  
Survey Results**

7. How would you rate the board's responsiveness to your questions or concerns?

| <b>Rating</b>            | <b>Number of Responses</b> | <b>Percentage of Responses</b> |
|--------------------------|----------------------------|--------------------------------|
| Excellent                | 9                          | 27%                            |
| Good                     | 11                         | 34%                            |
| Average/Fair             | 5                          | 15%                            |
| Poor                     | 3                          | 9%                             |
| Not Applicable           | 3                          | 9%                             |
| No Opinion               | 2                          | 6%                             |
| <b>Total Respondents</b> | <b>33</b>                  | <b>100%</b>                    |

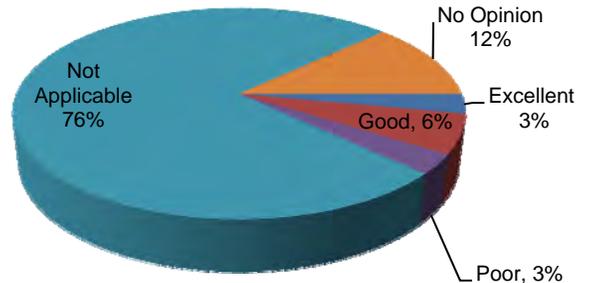
**Board's Responsiveness**



8. If you were required to take an examination for licensure in the last four years, how would you rate the board's administration of testing procedures?

| <b>Rating</b>            | <b>Number of Responses</b> | <b>Percentage of Responses</b> |
|--------------------------|----------------------------|--------------------------------|
| Excellent                | 1                          | 3%                             |
| Good                     | 2                          | 6%                             |
| Poor                     | 1                          | 3%                             |
| Not Applicable           | 25                         | 76%                            |
| No Opinion               | 4                          | 12%                            |
| <b>Total Respondents</b> | <b>33</b>                  | <b>100%</b>                    |

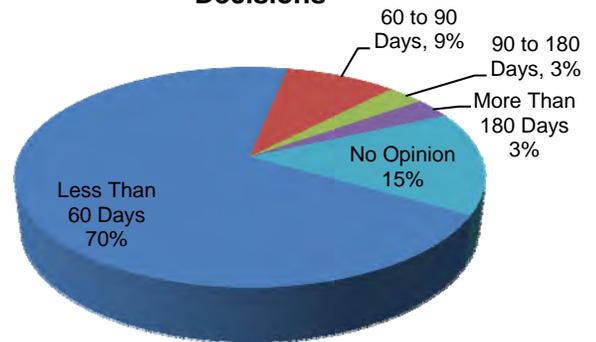
**Board's Testing Administration**



9. What was the approximate length of time from the submission of your application (new or renewal) to the board's ultimate decision?

| <b>Opinion</b>           | <b>Number of Responses</b> | <b>Percentage of Responses</b> |
|--------------------------|----------------------------|--------------------------------|
| Less Than 60 Days        | 23                         | 70%                            |
| 60 to 90 Days            | 3                          | 9%                             |
| 90 to 180 Days           | 1                          | 3%                             |
| More Than 180 Days       | 1                          | 3%                             |
| No Opinion               | 5                          | 15%                            |
| <b>Total Respondents</b> | <b>33</b>                  | <b>100%</b>                    |

**Timeframe for Board Licensure Decisions**



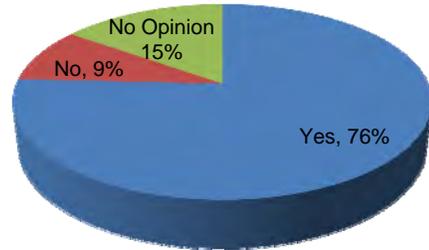
**Appendix A**  
(Continued)

**Licensed Marital and Family Therapists  
Survey Results**

10. Do you believe this timeframe was reasonable?

| <b>Opinion</b>    | <b>Number of Responses</b> | <b>Percentage of Responses</b> |
|-------------------|----------------------------|--------------------------------|
| Yes               | 25                         | 76%                            |
| No                | 3                          | 9%                             |
| No Opinion        | 5                          | 15%                            |
| Total Respondents | 33                         | 100%                           |

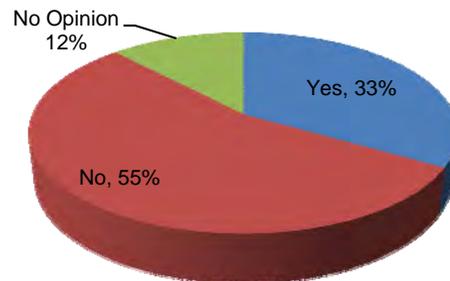
**Timeframe Reasonableness**



11. Do current licensing requirements create any unnecessary barriers to entry?

| <b>Opinion</b>    | <b>Number of Responses</b> | <b>Percentage of Responses</b> |
|-------------------|----------------------------|--------------------------------|
| Yes               | 11                         | 33%                            |
| No                | 18                         | 55%                            |
| No Opinion        | 4                          | 12%                            |
| Total Respondents | 33                         | 100%                           |

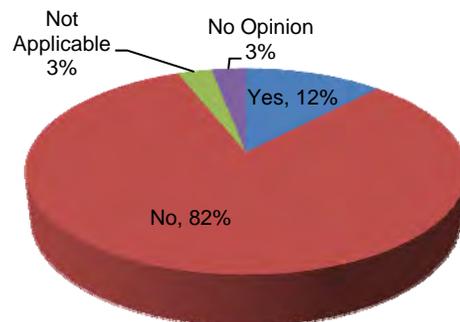
**Licensing Barriers to Entering Profession**



12. Do you believe annual dues/fees are reasonable?

| <b>Opinion</b>    | <b>Number of Responses</b> | <b>Percentage of Responses</b> |
|-------------------|----------------------------|--------------------------------|
| Yes               | 4                          | 12%                            |
| No                | 27                         | 82%                            |
| Not Applicable    | 1                          | 3%                             |
| No Opinion        | 1                          | 3%                             |
| Total Respondents | 33                         | 100%                           |

**Annual Dues and Fees Reasonableness**



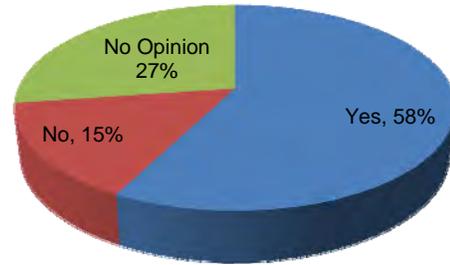
**Appendix A**  
(Continued)

**Licensed Marital and Family Therapists  
Survey Results**

13. Do you believe the composition of the board is a reasonable representation of your profession?

| <u>Opinion</u>    | <u>Number of Responses</u> | <u>Percentage of Responses</u> |
|-------------------|----------------------------|--------------------------------|
| Yes               | 19                         | 58%                            |
| No                | 5                          | 15%                            |
| No Opinion        | 9                          | 27%                            |
| Total Respondents | 33                         | 100%                           |

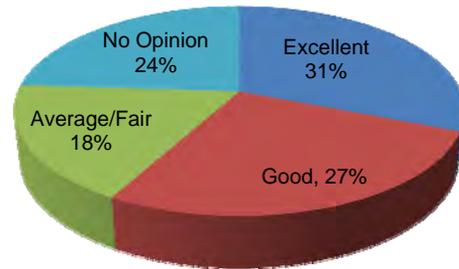
**Board's Representation of Profession**



14. How would you rate board members' knowledge and understanding of the profession?

| <u>Opinion</u>    | <u>Number of Responses</u> | <u>Percentage of Responses</u> |
|-------------------|----------------------------|--------------------------------|
| Excellent         | 10                         | 31%                            |
| Good              | 9                          | 27%                            |
| Average/Fair      | 6                          | 18%                            |
| No Opinion        | 8                          | 24%                            |
| Total Respondents | 33                         | 100%                           |

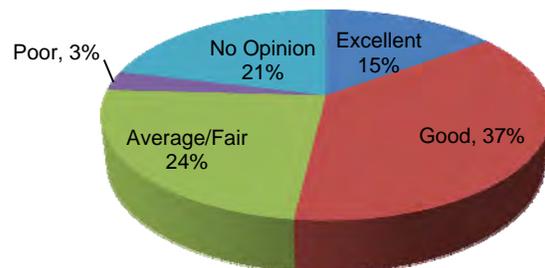
**Board Members' Knowledge**



15. How would you rate the board's performance in addressing important issues?

| <u>Opinion</u>    | <u>Number of Responses</u> | <u>Percentage of Responses</u> |
|-------------------|----------------------------|--------------------------------|
| Excellent         | 5                          | 15%                            |
| Good              | 12                         | 37%                            |
| Average/Fair      | 8                          | 24%                            |
| Poor              | 1                          | 3%                             |
| No Opinion        | 7                          | 21%                            |
| Total Respondents | 33                         | 100%                           |

**Board's Performance Addressing Issues**



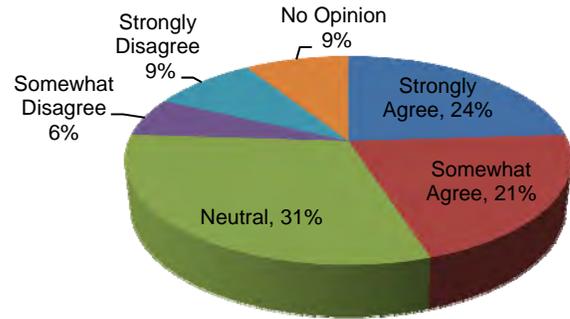
**Appendix A**  
*(Continued)*

**Licensed Marital and Family Therapists  
Survey Results**

16. Does the board maintain a good working relationship with members of the profession?

| <b>Opinion</b>           | <b>Number of Responses</b> | <b>Percentage of Responses</b> |
|--------------------------|----------------------------|--------------------------------|
| Strongly Agree           | 8                          | 24%                            |
| Somewhat Agree           | 7                          | 21%                            |
| Neutral                  | 10                         | 31%                            |
| Somewhat Disagree        | 2                          | 6%                             |
| Strongly Disagree        | 3                          | 9%                             |
| No Opinion               | 3                          | 9%                             |
| <b>Total Respondents</b> | <b>33</b>                  | <b>100%</b>                    |

**Board's Relationship with Therapists**



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PO Box 110001  
Juneau, Alaska 99811-0001  
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Governor@alaska.gov

Office of Governor Sean Parnell  
STATE OF ALASKA

October 3, 2013

Ms. Kris Curtis, CPA, CISA  
Legislative Auditor  
Division of Legislative Audit  
P.O. Box 113300  
Juneau, AK 99811-3300

RECEIVED

OCT 03 2013

LEGISLATIVE AUDIT

Dear Ms. Curtis,

This letter is in response to the CONFIDENTIAL preliminary audit report on *A Sunset Review of the Department of Commerce, Community, and Economic Development, Board of Marital and Family Therapy, June 19, 2013*, received by our office on September 19.

Regarding Recommendation No. 2: The Office of the Governor and BMFT should work together to fill vacant board seats in a timely manner.

Currently, the Board has no current vacancies and is at full membership. The Board of Marital and Family Therapy (BMFT) statutes do not require the Office of the Governor and BMFT to work together to fill vacant seats, as appointments are a constitutional function of the Governor. Our office is also unaware of any specific timeframe required by statutes in which an appointment to a vacant seat must be made. However, in order to support the Governor's constitutional authority to make Board appointments, the Office of Boards and Commissions diligently works to collaborate and support BMFT with the Board's upcoming term expirations and vacancies.

Your report mentioned during the current audit period there were three outstanding vacancies. My research has indicated that two of the three vacancies occurred during the prior administration. Our office has taken steps to fill the vacant Board seats in a timely manner and is committed to assisting the Governor in making timely appointments to allow the Board to function productively. The Office of Boards and Commissions has actively taken steps to build a relationship and network with the American Association for Marriage and Family Therapy-Alaska Division to better identify potential Board candidates for future vacancies.

If you need additional information, please contact me at 907-269-7450.

Sincerely,

A handwritten signature in black ink, appearing to read "Elizabeth Giardina".

Elizabeth Giardina  
Acting Director  
Boards and Commissions

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THE STATE  
of **ALASKA**  
GOVERNOR SEAN PARNELL

Department of Commerce, Community,  
and Economic Development

OFFICE OF THE COMMISSIONER

P.O. Box 110800  
Juneau, Alaska 99811-0800  
Main: 907.465.2500  
Programs fax: 907.465.5442

September 11, 2013

Ms. Kris Curtis, CPA, CISA  
Legislative Auditor  
Alaska State Legislature  
Legislative Budget and Audit Committee  
Division of Legislative Audit  
P.O. Box 113300  
Juneau, AK 99811-3300

RECEIVED

SEP 11 2013

LEGISLATIVE AUDIT

RE: Preliminary Audit Report Department of Commerce, Community, and Economic Development (DCCED), Board of Marital and Family Therapists (board or BMFT) June 19, 2013.

Dear Ms. Curtis:

Thank you for the opportunity to respond to the auditor's conclusion and recommendations regarding the sunset review of the Board of Marital and Family Therapists. The Division of Corporations, Business and Professional Licensing (DCBPL) concurs with the report conclusion that the board's termination date should be extended to June 30, 2018. Our comments on the audit recommendations are provided below.

Recommendation No. 1

BMFT should develop a strategy to address the need for distance therapy and distance supervision.

As noted in the audit report, the BMFT has researched and discussed the complex topic of distance therapy and distance supervision. DCCED will continue to work with the BMFT as it determines the best course of action on this topic.

Recommendation No. 2

The Office of the Governor and BMFT should work together to fill vacant board seats in a timely manner.

The department concurs with this recommendation and will work with the board and the office of the Governor Boards and Commissions Director to identify qualified applicants for board seats and increase awareness of opportunities to serve.

Ms. Kris Curtis, CPA, CISA  
September 11, 2013  
Page 2

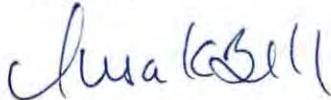
Recommendation No.3

DCBPL's director should continue efforts to improve this investigative case management system's integrity and confidentiality.

The department concurs with this recommendation. As noted in the audit report, DCBPL has taken action to address deficiencies and improve the investigative case management system's efficiency and reliability in several areas. The division will continue these efforts through the rest of FY14.

Again, thank you for the opportunity to respond to the audit report conclusion and recommendations. If you have any additional questions, please contact me at 907-465-2500.

Regards,



Susan K. Bell  
Commissioner

Cc: Don Habeger, Director CBPL  
JoEllen Hanrahan, Director ASD

Leon T. Webber, D.Mn., LMFT  
1013 East Fireweed Lane  
Anchorage, Alaska 99508  
(907) 646.7600 FAX (907) 272.1553  
[ltw@alaska.net](mailto:ltw@alaska.net)

September 11, 2013

Kris Curtis, CPA, CISA  
Legislative Audit and Budget Committee  
State of Alaska P.O. Box 113300  
Juneau, Alaska

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SEP 16 2013

Dear Mr. Curtis,

LEGISLATIVE AUDIT

Thank you for your letter dated August 12<sup>th</sup> regarding the preliminary audit report for our licensing board.

We have exchanged conversations with the auditor's office prior to the receipt of your letter. And we concur with the audit and its recommendations and we have provided a detailed written response to the auditor.

1. We would like to advise you that our Alaskan licensing board, other state boards, and our national office are currently addressing the challenges of developing strategies to address the need for regulating distance therapy and distance supervision. Our Alaska board members and colleagues have contacted our national office to seek direction. Our Board recognizes the need for and validity of distance services. We are preparing a general statement of understanding and will be recommending changes to Alaska state regulations and statutes. We will continue to develop this with ongoing research and collaboration with our national organization and other state boards.
2. While it is not our responsibility to fill vacant board seats, we have been advised that the Governor will expedite the filling of vacancies when they arise.
3. The process of investigative case management has been greatly enhanced by the recent collaboration of the board with its investigator. For example, recently the investigator called and asked for a board member to do an initial enquiry into a complaint. We did that, and it led to a substantial cost saving to the board.

Our board members appreciate your detailed attention to our work in fulfilling our mission to the Alaska public and our professional colleagues. Thank you.

Sincerely,



Leon Webber, Chair  
Alaska Board of Marital and Family Therapy

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